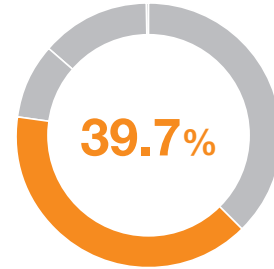
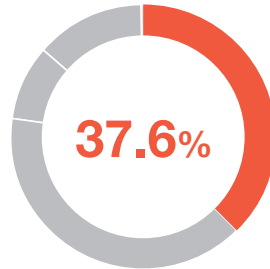


Review of Operations (For the Fiscal Year Ended March 31, 2017)

Japan

East Asia

Net Sales Composition Ratio by Segment (%)



Segment Information

(Consolidated subsidiaries only for net sales, operating income (loss) and the number of employees)

Net sales **¥65,572 million**
(Up 0.9% YoY)

Operating income **¥5,445 million**
(Up ¥246 million YoY)

Number of affiliates **3**

Number of employees **2,875**

Areas covered **All over Japan**

Net sales **¥72,594 million**
(Down 14.2% YoY)

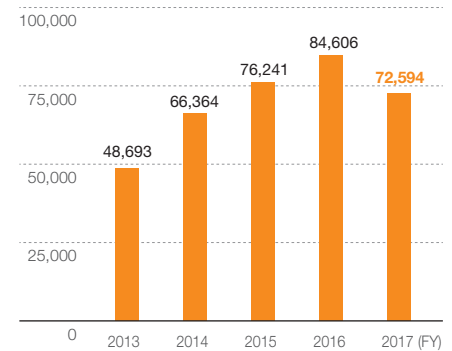
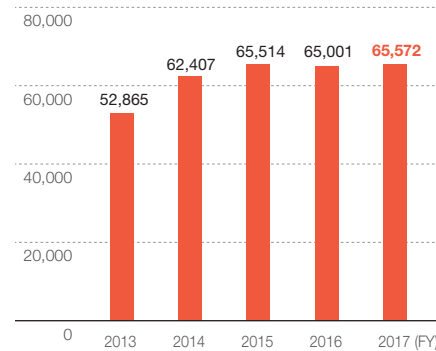
Operating income **¥4,540 million**
(Down ¥2,960 million YoY)

Number of affiliates **8**
(7 of which are consolidated subsidiaries)

Number of employees **4,691**

Areas covered **China, Taiwan, Hong Kong and Korea**

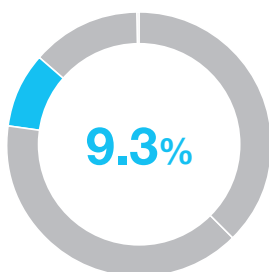
Net Sales (Millions of yen)



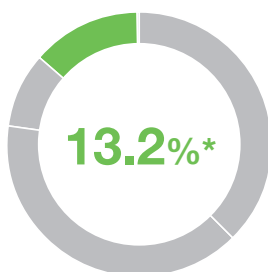
Main Projects



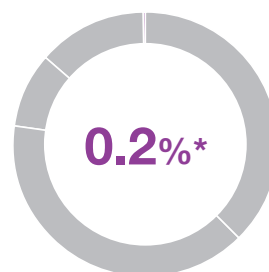
South Asia



North & South America



Europe & Middle East



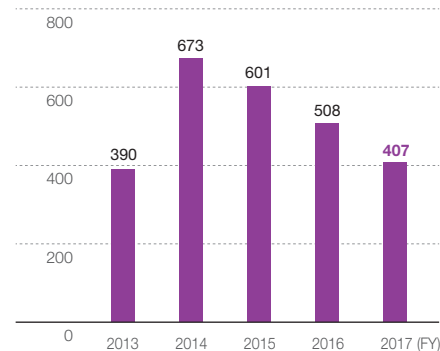
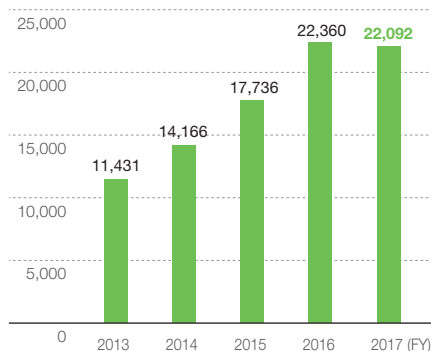
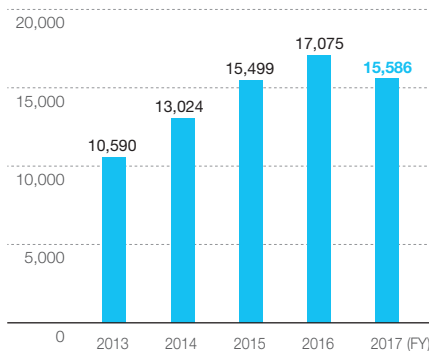
Net sales	¥15,586 million (Down 8.7% YoY)
Operating income	¥1,720 million (Up ¥94 million YoY)
Number of affiliates	12 (8 of which are consolidated subsidiaries)
Number of employees	1,475
Areas covered	Singapore, Malaysia, the Philippines, Thailand, Vietnam, Indonesia, India, Sri Lanka and Myanmar

Net sales*	¥22,092 million (Down 1.2% YoY)
Operating income*	¥930 million (Up ¥793 million YoY)
Number of affiliates	7 (2 of which are consolidated subsidiaries)
Number of employees*	764
Areas covered	U.S.A., Canada, Venezuela, Argentina, Uruguay and Guam

*The figures are for North America only.

Net sales*	¥407 million (Down 19.8% YoY)
Operating loss*	(¥54 million) (Operating loss of ¥43 million in the previous fiscal year)
Number of affiliates	4 (2 of which are consolidated subsidiaries)
Number of employees*	27
Areas covered	U.K., Germany, Saudi Arabia, Egypt and UAE

*The figures are for Europe only.

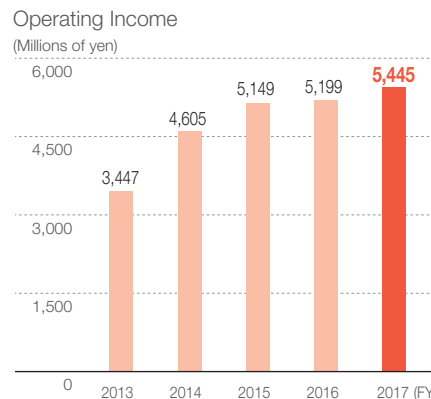
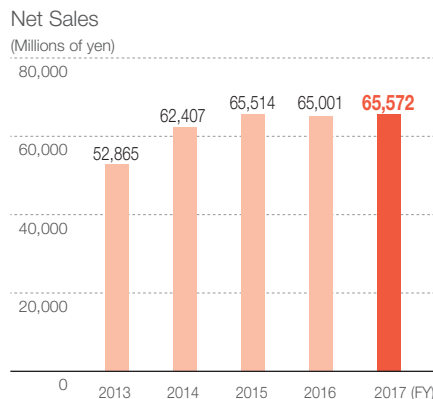


Review of Operations



Fiscal years ended March 31

	2016	2017	Percentage change
Net Sales	¥65,001 million	¥65,572 million	+0.9%
Operating Income	¥5,199 million	¥5,445 million	+4.7%



Initiatives in the Fiscal Year Ended March 31, 2017

Fujitec posted record-high net sales and operating income. Net sales rose 0.9% from the previous fiscal year while operating income increased ¥246 million due mainly to an improvement in profitability arising from lower materials costs as well as promotion of in-house manufacturing, offsetting a rise in fixed costs.

New Installation Business

In the new installation business, Fujitec received fewer orders. However, lower materials costs arising from the strong yen as well as absorption of fixed costs through improved productivity led to increases in both earnings and revenue. Regarding new products, we commenced sales of “Made-to-Order XIOR,” a new line of downsized, custom-made elevators that requires no machine rooms, in December 2016 in order to respond to a variety of customer needs.

In the Tokyo metropolitan area, Fujitec supplied 15 elevators and escalators for “GINZA PLACE,” a multi-purpose retail facility facing the Ginza 4-chome intersection in Tokyo; 84 elevators and escalators for “GINZA SIX,” a large-scale multi-purpose facility in Ginza 6-chome; as well as 16 elevators for “XIV Yugawara Rikyū,” a members-only resort hotel in Kanagawa Prefecture.

In the Kansai area, we supplied 14 elevators for “Four Seasons Hotel Kyoto,” a luxury hotel located in the Higashiyama district in Kyoto.

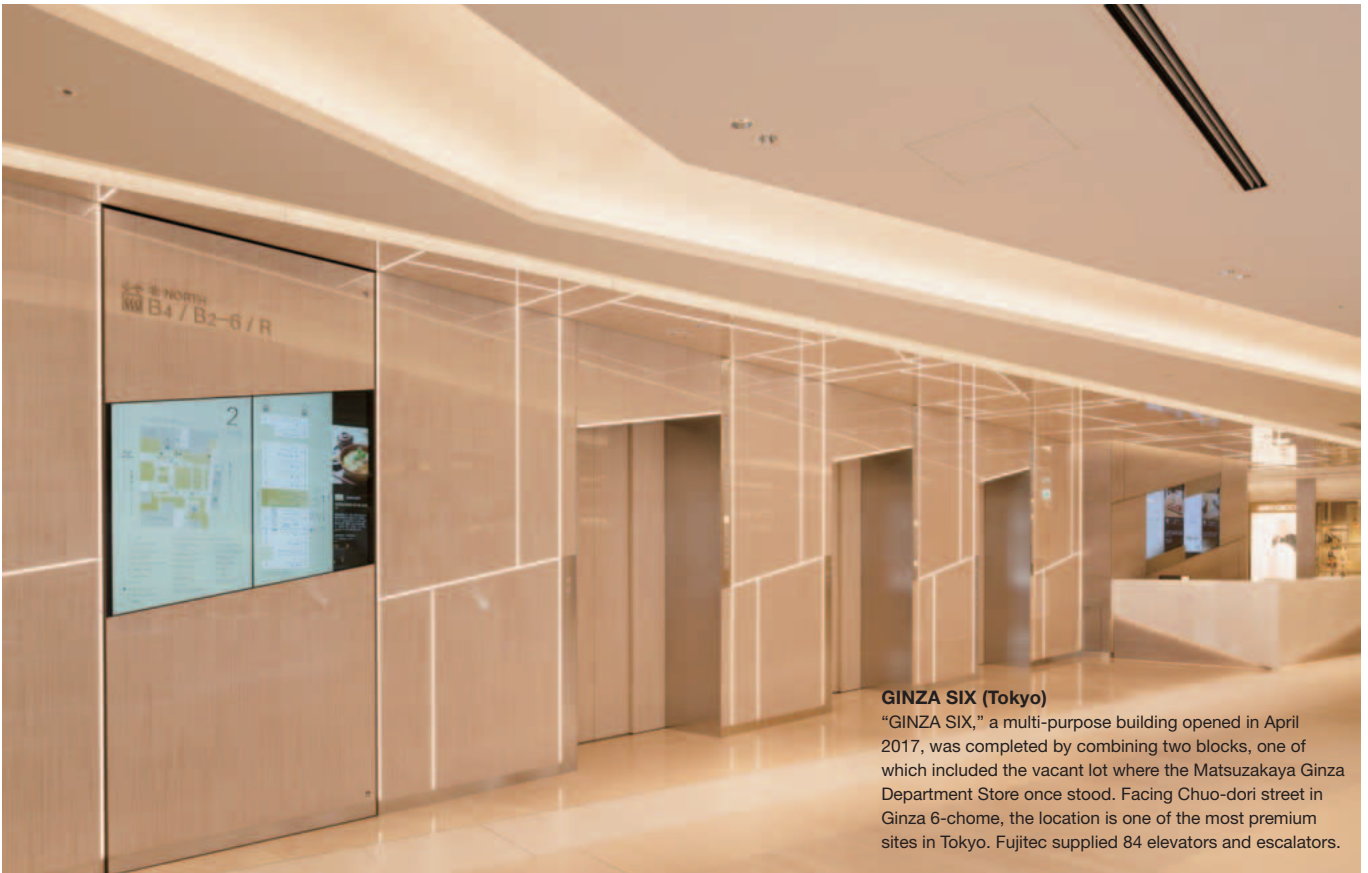
Modernization Business

In the modernization business (the updating of existing equipment), Fujitec recorded an increase in work for custom-made elevators, mainly in the Tokyo metropolitan area. Additionally, we posted steady growth in sales for safety enhancement modernization packages in response to the Building Standards Act amendment in April 2014.

We further improved the safety and security of these packages by adding anti-seismic functions to accompany our low-cost/quick installation benefits. We are working to expand sales of these packages as products that assure the safety of existing elevators.



XIV Yugawara Rikyū (Kanagawa)



GINZA SIX (Tokyo)

“GINZA SIX,” a multi-purpose building opened in April 2017, was completed by combining two blocks, one of which included the vacant lot where the Matsuzakaya Ginza Department Store once stood. Facing Chuo-dori street in Ginza 6-chome, the location is one of the most premium sites in Tokyo. Fujitec supplied 84 elevators and escalators.

Outlook and Initiatives for the Next Fiscal Year

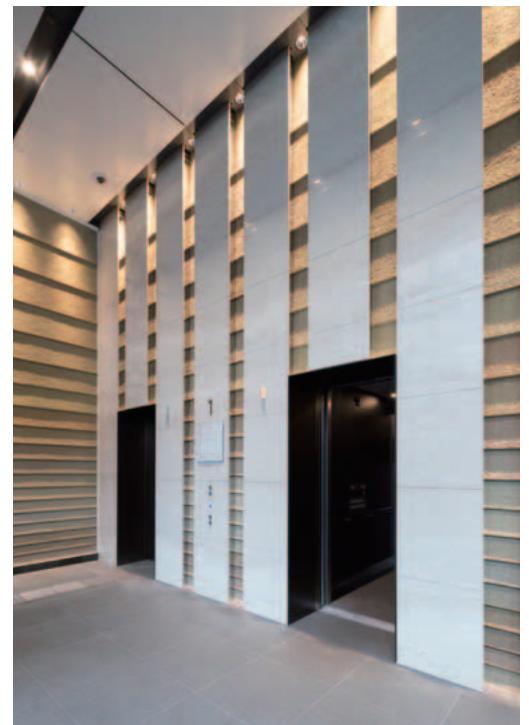
In Japan, there are moves to pull back on new construction due to rising construction costs, but demand is expected to remain steady in the Tokyo metropolitan area, where development projects for large-scale buildings are ongoing.

Amid this environment, we expect increases in orders and sales in the new installation business by carrying out proactive sales promotion activities primarily for standard models. We also anticipate orders and sales to increase in the business for the after-sales service market, driven by maintenance services.

As for profits, we will strive to increase profits by offsetting rising fixed costs through cost reduction activities and improved productivity.



Four Seasons Hotel Kyoto (Kyoto)



GINZA PLACE (Tokyo)

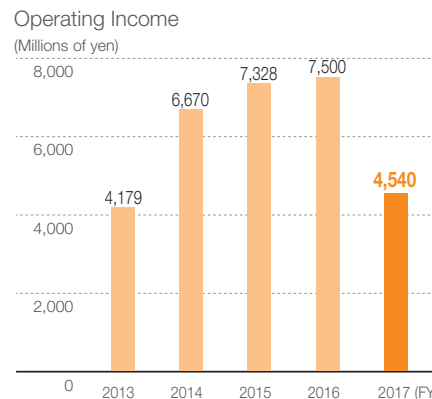
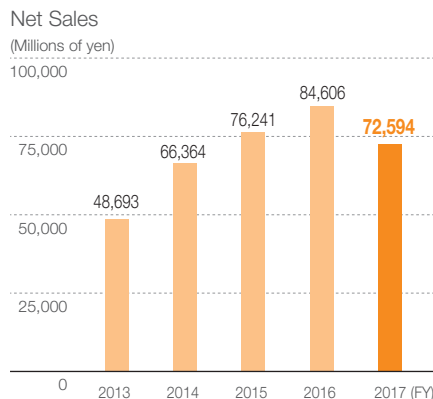
GINZA PLACE, a multi-purpose building completed in June 2016 under the concept of “a hub for information transmission and interactions,” stands at a corner of the posh Ginza 4-chome intersection in Tokyo. Fujitec delivered 15 elevators and escalators.

Review of Operations



Fiscal years ended March 31

	2016	2017	Percentage change
Net Sales	¥84,606 million	¥72,594 million	-14.2%
Operating Income	¥7,500 million	¥4,540 million	-39.5%



Initiatives in the Fiscal Year Ended March 31, 2017

In East Asia, we recorded decreases in earnings and revenue due primarily to the negative impact of foreign exchange fluctuations and a decline in new installations in China despite strong sales in Hong Kong and Korea.

In China, we delivered 80 elevators for “Bijingyuan,” a large-scale residential building in Shijiazhuang, Hebei Province, and 116 elevators for “Huajing Shidai Xiaoqu,” a large-scale residential building in Tangshan, Hebei Province. We also supplied 156 elevators for “Jinan Mingyue Shanzhuang Bieshu,” a residential building in Jinan, Shandong Province, and 185 elevators for “Hua Xia Da Yun He Kong Que Cheng,” a residential building in Langfang, Hebei Province. In Hong Kong, we received orders for 25 elevators and escalators for “North Point” hotel. In Taiwan, we delivered 20 elevators and escalators for “Asia University Hospital” in Taichung, while in Korea, we supplied 64 escalators and moving walks for “LOTTE MALL Eunpyeong,” a large-scale retail facility in the suburbs of Seoul and 34 elevators and escalators for “Mullae Office Building” in Seoul.

Outlook and Initiatives for the Next Fiscal Year

For the next fiscal year, we expect price competition to continue in China to capture a greater market share but strong sales in Hong Kong and Korea.

Fujitec will continue to position China as its most important market and invest management resources there. At the same time, we will improve the break-even point by seeking cost reductions. In the mature markets of Hong Kong, Taiwan and Korea, we will focus on promoting modernization operations.

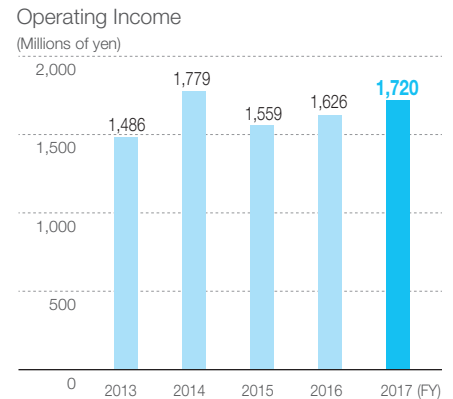
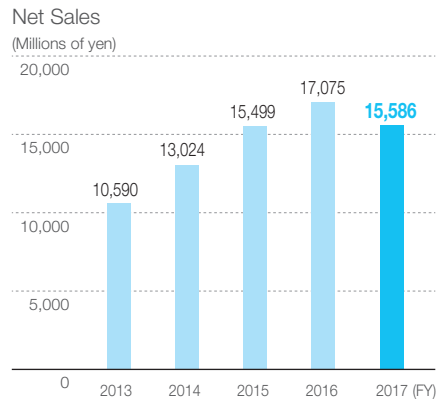


Mullae Office Building (Korea)

South Asia

Fiscal years ended March 31

	2016	2017	Percentage change
Net Sales	¥17,075 million	¥15,586 million	-8.7%
Operating Income	¥1,626 million	¥1,720 million	+5.8%



Initiatives in the Fiscal Year Ended March 31, 2017

In South Asia, the pace of economic recovery was slow overall. Despite receiving orders for large-scale projects and posting an increase in the after-sales service business, Fujitec recorded a decrease in revenue due mainly to the negative impact of foreign exchange fluctuations.

In Singapore, we received an order for the modernization of 46 existing elevators for “Nanyang Technological University,” whereas in Kuala Lumpur, Malaysia, we supplied 26 escalators for “Plaza Arcadia,” a multi-purpose facility consisting of offices and retail outlets.

In Vietnam, we delivered 44 elevators and escalators for “AEON MALL Bihn Tan,” the fourth AEON outlet and a large-scale retail facility in Ho Chi Minh City. In Colombo, Sri Lanka, we supplied 16 elevators and escalators for “Lotus Tower,” a broadcasting and telecommunications tower with an observation deck.

Outlook and Initiatives for the Next Fiscal Year

We expect strong sales in new installation and after-sales market businesses in Singapore and increases in both earnings and revenues in Malaysia and Indonesia.

With substantial growth expected in India, we will focus on developing business for the standard elevator models KYUTO and ERITO, which have been well-received in the country, and supply to various countries in the ASEAN region.

We will also seek to expand our sales network and strengthen product supply capabilities and sales prowess in line with market demand.

In Myanmar, we will continue to cultivate the respective markets through Fujitec Myanmar Co., Ltd. that was established in Yangon, which is the largest city in the country, and through Fujitec Lanka (Private) Ltd. in Sri Lanka.



Lotus Tower (Sri Lanka)

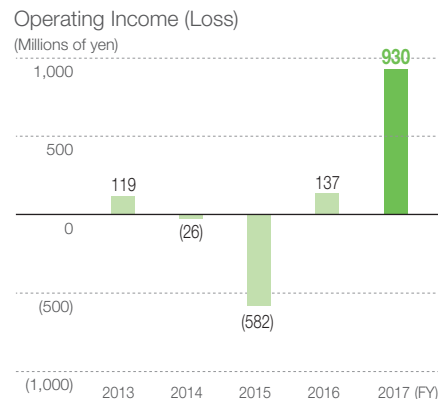
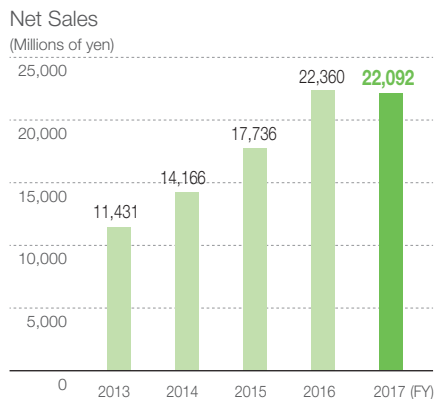
Review of Operations

North & South America

Fiscal years ended March 31

	2016	2017	Percentage change
Net Sales	¥22,360 million	¥22,092 million	-1.2%
Operating Income	¥137 million	¥930 million	+576.8%

*The figures are for North America only.



Initiatives in the Fiscal Year Ended March 31, 2017

Backed by robust consumer spending, the North American economy expanded steadily. However, Fujitec posted a decrease in earnings due to a negative impact of the appreciation of the yen despite strong performance supported by an increase in new installations and other factors.

In the United States, we supplied 12 elevators for “Via 57 West,” a pyramid-shaped residential building, as well as received an order for 14 elevators for “250 South Street,” an ultra-high-rise residential building, both in Manhattan, New York. We also received an order for the modernization of 30 elevators for “Cityplace Tower,” a high-rise building in Dallas, Texas.

In British Columbia, Canada, we delivered 11 elevators for “Trump Tower International Hotel & Tower® Vancouver,” a high-rise multi-purpose facility that combines a hotel and residential units. Also in British Columbia, we supplied 45 elevators and escalators for the “Evergreen Line,” a public transportation system in Vancouver.

Outlook and Initiatives for the Next Fiscal Year

The North American economy is expected to continue expanding and the elevator and escalator industry is also projected to post solid results. In addition to implementing sales activities to capture orders for new installations in large cities in the new installation business, Fujitec will also strengthen product capabilities in the modernization sector, which has high growth potential, and proactively strive to expand the overall market. In addition, we aim to proactively carry out cost reduction activities and raise work efficiency.



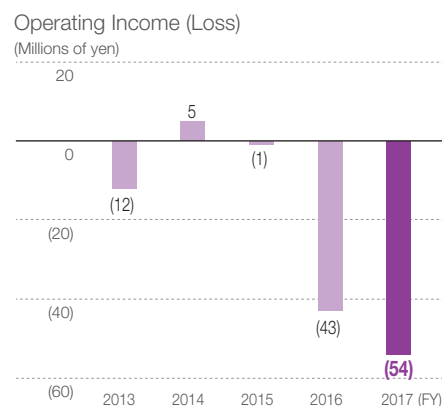
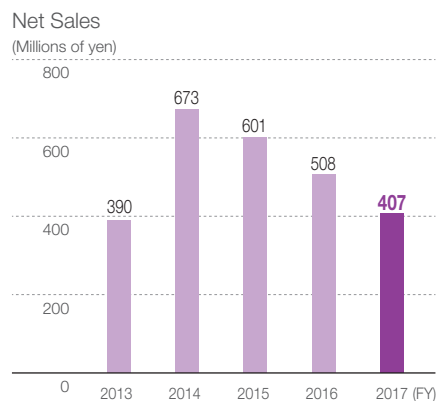
Trump Tower International Hotel & Tower® Vancouver (Canada)

Europe & Middle East

Fiscal years ended March 31

	2016	2017	Percentage change
Net Sales	¥508 million	¥407 million	-19.8%
Operating Loss	¥43 million	¥54 million	—

*The figures are for Europe only.



Initiatives in the Fiscal Year Ended March 31, 2017

In the United Arab Emirates (UAE), we received a succession of orders for offices and hotels, including an order for 15 elevators and escalators for “Crescent Hotel,” a resort hotel in Dubai.

In Saudi Arabia, we received orders for seven elevators each for “Al Zamil Tower,” a multi-purpose facility in Riyadh, and for “Hotel Pullman Zamzam Makkah” in Mecca, while we received an order for 11 elevators and escalators for “Oasis Mall,” a large-scale retail facility in Jeddah. In Iran, we received an order for 25 elevators for “Atlas Mall,” a large-scale retail facility.

Outlook and Initiatives for the Next Fiscal Year

The European economy is still on its way to recovery from the financial and debt crises, and a mild economic rebound is expected to continue driven mainly by domestic demand. Meanwhile, demand for elevators and escalators in the Middle East is forecast to remain strong primarily in such countries as Saudi Arabia, Egypt and UAE.

Amid this environment, Fujitec will strive to strengthen product appeal in the high-growth modernization field while promoting cost reductions and promoting more streamlined business operations. Through these measures, for the fiscal year ending March 31, 2018, we expect net sales of ¥500 million and profits to break even.



Al Zamil Tower (Saudi Arabia)